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PRODUCTION AND MARKETING ADMINISTRATION SHIPPING AND STORAGE BRANCH

confidential Declassified by Mr. Christianum,

PROGRESS REPORT

AS OF

APRIL 30, 1946



COVERS ONLY THOSE
COMMODITIES HANDLED BY THE
SHIPPING AND STORAGE BRANCH

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FOREWORD

The primary aim of this report is to present a current and concise summarization of the operations of the Shipping and Storage Branch of Production and Marketing Administration during the past several months, with particular emphasis being devoted to developments during the preceding thirty days. While the facts and conclusions presented herein are intended to serve as a measurement of the efficiency of operation of the several areas, proper consideration should be given to the variable functions performed by the different field offices.

All data has been compiled either from records maintained in the Washington Office or from reports submitted by the Field Offices and pertain only to the operation and function of the Shipping and Storage Branch. Efforts have already been made to eliminate various statistical discrepancies but considerable expansion and development in scope, together with improvements in accuracy, are still desirable and will be developed in succeeding issues.

The material contained in the report, which has been prepared primarily for technical and administrative information and use of the Branch, is confidential.

H. O. Warlick, Director

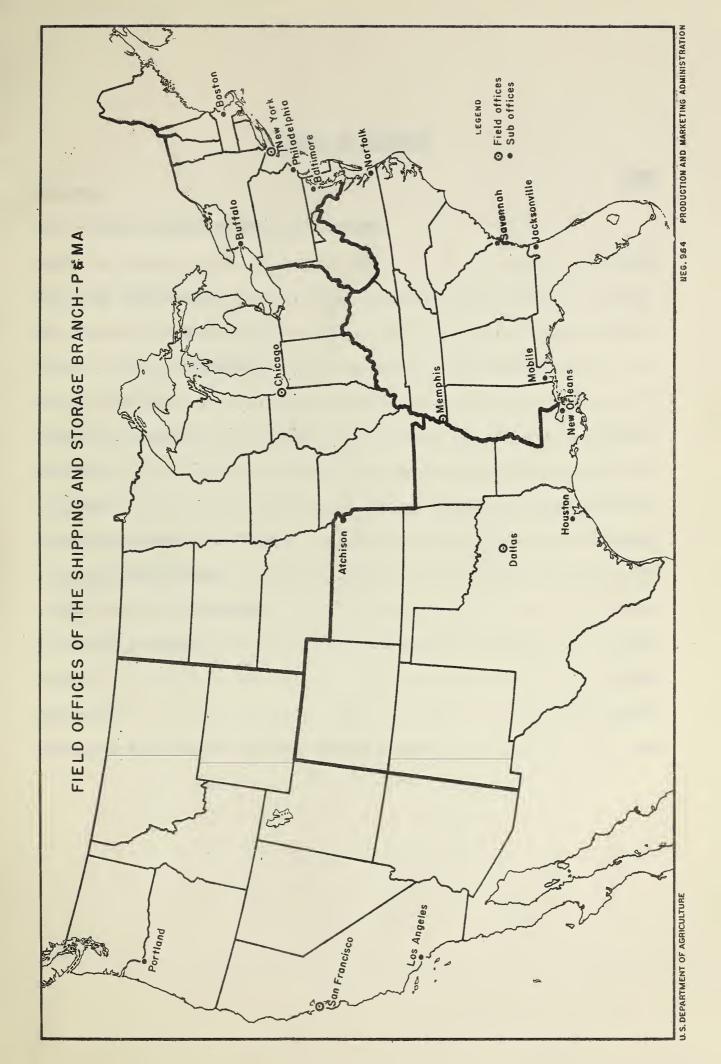




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APRIL IN REVIEW

The branch continued to make progress in operations during April in spite of strikes, port embargoes and other obstacles. 1/ It also devised remedies for a number of problems and made various refinements in procedure.

Commodity shipping commitments to all programs were higher in April than the 1946 low of March but remained under the volume of January and February. Net orders, however, although somewhat above February, fell below March. Commodity inventory reached a low level of 836 million pounds, which was 349 million less than the March total. An almost negligible decline occurred in April in the number of cars shipped from vendors. There was a more pronounced drop in cars shipped from warehouses and in cars reconsigned. The number of cars lifted at ports also fell below the March total, but the number of cars arriving at ports increased.

During the month the Program Operations Division reached an agreement with UNRRA that, in the future, offerings would be covered by shipping instructions or a refusal thereof in 96 hours. If such notification is not received within this specified period, the Branch is now authorized to order the items concerned, up to 1,000 tons, to storage at Mobile,

Newport News, or the Encinal terminals at San Francisco. This is expected to eliminate the uncertainty experienced in the past when sometimes many days elapsed between the time commodities were offered and forwarding orders were received. In April the Division also established a Division

^{1/} Refer to the section of the report which itemizes these conditions.

communication center including a direct teletype line with UNRRA and another to handle all other communications, completed compilation of a storage rate schedule, and began the reconciliation of deliveries with the Inventory Accounting Division. All records relating to requisitions and commitments for all programs were segregated and placed in a group to afford more efficient control. Representatives of the Division attended several meetings concerning food requirements for Europe.

The Shipping Division took steps during the month to prevent the accumulation of animals at port which has occurred because ship slippages at Baltimore and Newport News have caused loading delays. It was decided to make a survey in connection with the establishment of a Livestock Control Unit to be established in Cincinnati or at Port Covington, Kentucky. This office, under the proposal, would control the loading date of the livestock at origin and the entire movement from origin to the docks at Newport News, Baltimore or any other Atlantic ports. The Division has taken initial steps to compile a Freight Classification Guide. The guide will materially aid all persons preparing government bills of lading, and it is expected to be ready for distribution in about a month. The Division is also working to complete all Certificates of Exportation in order to obtain the refund permissible and the application of export rates on all shipments exported through West Coast ports between January 1941 and July 1945. A trip was made during the month by a Division representative to inspect Gulf port facilities. Also in April the authority and responsibility for obtaining FAS numbers indicating firm booking of space and ocean vessels was transferred to the Program Operations Division. Box car and refrigerator car availability was reported as satisfactory. It

is expected that there will be a very significant increase in car loadings during May.

There was a marked increase in reconditioning and recoopering during the month in connection with grain and special commodities but a large drop in respect to dairy and poultry products. The bulk of the grain and special commodity work occurred in the Southwest. In the Northeast more than 1,700,000 pounds of fruits and vegetables were reconditioned and repackaged. The major work in the Midwest involved cheese and in the West, livestock and meat products.

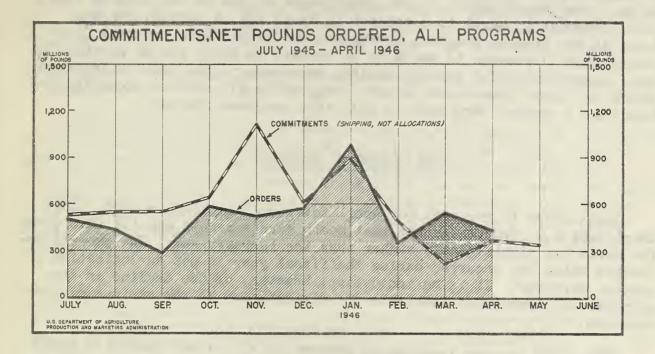
During April steps were taken to give up leased storage facilities no longer needed. During the war the Branch found it desirable to operate several such facilities by contract, but since our stock has now been considerably reduced and commercial storage is more plentiful and cheaper, the original space is no longer required. One such facility has been closed and three are in the process of being closed.

The Claims Division made a 20 percent reduction during April between the number of claims on hand at the beginning of the month and those remaining as of April 27. Likewise, establishment of a claims unit in the New York Field Office has materially reduced the number of new claims being submitted to Washington. During the month a representative from the Washington Offices visited New York and explained procedures facilitating adjudication. Claims in both Washington and New York are now being screened according to approximate value and the emphasis for investigation is being placed on the claims of most value. A docket entitled "Docket Establishing Policies for Handling Certain Claims by or against Commodity Credit Corporation" was approved April 10 by the

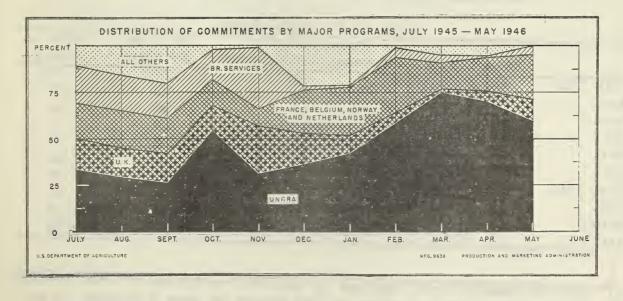
Directors of CCC and permits the "writing off" of claims under \$10. Thus it is possible to dispose of many claims which previously had been stale-mated. The Claims Division has completed a rough draft of a handbook to supplement the instructions and training given new employees at the Division Training School. The finished handbook is expected to be issued in May.

The Field Operations Division reached an agreement with the Navy in regard to the respective responsibilities in connection with FAS procurements. In conjunction with the New York Office, arrangements were made for that office more promptly to report reconsignments of meat shipments to program so that management reports may precisely reflect the status of such transactions. A representative reviewed the functions of ordering and policing shipments and the examination of warehouse stocks and application of order ticket symbols in the Chicago Office. The Division also prepared a revised procedure system and table of contents. The system outlines the method by which regulations, policies, and procedures on Branch operations will be issued to personnel in Washington and in the Field Offices. There were also developed operating procedures covering a new system for the reporting of shipments and unloadings, a case file system for operating documents, and instructions on the use and handling of loading manifests.

Program shipping commitments were approximately 32 million pounds smaller for May than for April. (See chart below.) The May sum, however, is 118 million pounds greater than the March low of 216 million pounds



but is 38 percent less than the January total of 892 million. It is also noteworthy that the volume of commodities committed during 1946 is considerably smaller than for the last six months of 1945. This reduction



is of paramount importance and has been due, to a large extent, to the insistence of this Branch that the number of pounds committed for shipment to the claimant programs be allocated on a more realistic basis

of the supplies available for distribution. 1/

Approximately 59 percent of the total May commitments were allocated to the UNRRA program compared with 72 percent in April and 75 percent in March. (See chart page 1.) The commitments of the United Kingdom rose from 1 percent in March to 6 percent in April and 12 percent for May. Those of the French, Belgian, Norwegian, and Netherlands programs fluctuated from 17 percent in March to 16 percent in April and 24 percent for May. Commitments of 5 percent or less were made to the British Services during the last three-month period. Negligible allocations amounting to less than 1 percent were made to all other programs for May.

NET ORDERS TO PROGRAMS

Net orders to programs for April totaled 431 million pounds. (See chart page 1.) Orders for the past month were somewhat smaller than those for March but significantly higher than the February sum. The general reduction which has occurred during the fiscal year is not an indication of reduced workload. It is an indication, however, of the decline in the supplies of commodities available for distribution to the various claimant programs.

The UNRRA program received 69 percent of all orders placed in April in contrast to 46 percent during March and 19 percent in February. Between January 1 and April 30 that program had orders amounting to 1.1 billion pounds which is 49 percent of the total. (See table below.)

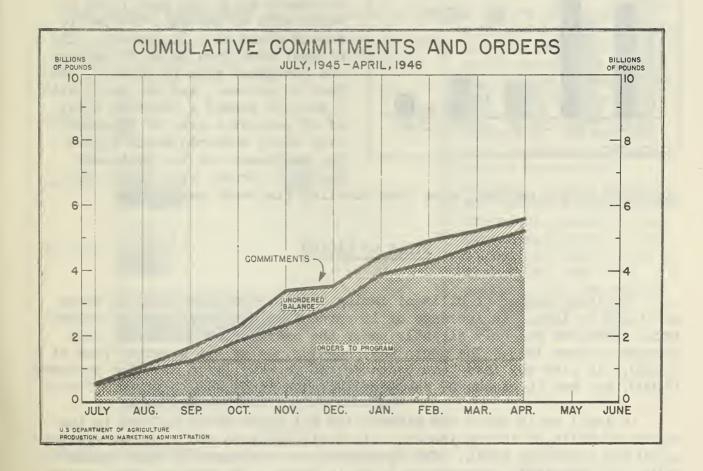
Percentage Distribution of Net Orders to Programs

July 1945 - April 1946 French, Belgium British ALL UNRRA Norway, Netherlands Services Others U.K. July 1945 26% 159 14% 20% 25% 35 12 16 22 15 Aug. Sept. 15 10 13 30 32 28 5 3 Oct. 15 49 Nov. 32 23 30 8 7 38 21 23 6 12 Dec. Jan. 1946 52 14 14 2 18 19 15 38 Feb. 24 4 March 46 16 28 2 8 13 9 April

^{1/} Such recommendations resulted in downward revisions of commitments. These changes are not shown in the charts on page 1 because it was impossible to revise the totals for each month. They are shown, however, in the chart on page 3 which relates orders to commitments on a cumulative basis.

Orders for the United Kingdom and British Services amounted to only 5 and 4 percent respectively in April and for the first four months of the calendar year equaled only 13 and 3 percent of the grand total. The French, Belgian, Norwegian, and Netherlands programs have shared moderately in the distribution each month, with the percentage ranging from lows of 13 percent to a high of 38 percent. The average for the first four months of this year was 21 percent. Wide variations characterize the proportion of orders which have been placed for all other programs. The range is from a low of 3 percent in October to a high of 32 percent in September. Fourteen percent was the average for the first four months of 1946.

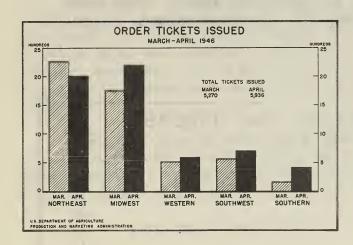
Total revised cumulative shipping commitments—amounted to 3.5 billion pounds at the end of the first six months of fiscal year 1946. Total cumulative orders for the same period were 2.9 billion pounds yielding a difference of .6 billion. The differential at the end of January was also .6 billion but rose to .7 billion at the close of February. It declined to .5 billion in March and .3 billion at the end of April. (See chart below.) It is apparent, therefore, that the unordered balance is gradually being reduced.



This accomplishment is all the more significant in view of the decline in the available supplies of commodities. Total unobligated commodity inventory on March 31 approximated 487 million pounds which was less than the unfilled order balance outstanding at that time. Consequently, it would have been impossible to satisfy all current commitments from existing inventory stocks.

ORDERS TO SHIP (TICKETS)

Order tickets issued in April totaled 5,936 in contrast to the 5,270 issued in March. This was a rise of 666 or almost 13 percent. Likewise, compared to March, all areas except the Northeast showed gains in the number of tickets issued. (See chart below.)



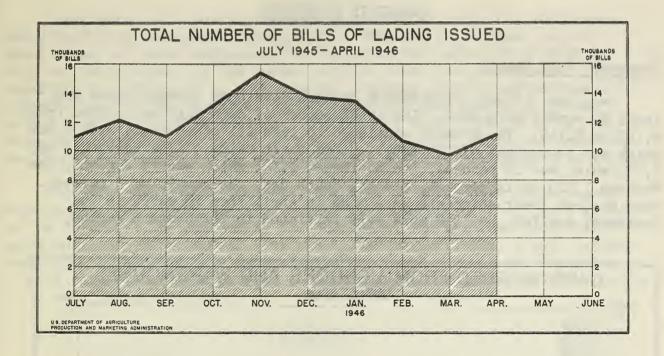
In area totals, the Midwest led with 2,207. The Northeast had 2,011, the Southwest 704, the West 589, and the South 425. In percentage of tickets issued, the Northeast which had been first in March with 43 percent, dropped to second place with 34 percent. The Midwest rose from 34 to 37 percent. The Southwest with 12 percent, the West 10 percent, and the South with 7 percent showed a combined total of 29 percent, a gain of 6 percent over their combined March figure. The Southwest and the West each gained 1 percent over March, but

the South rose 4 percent, more than doubling its March percentage.

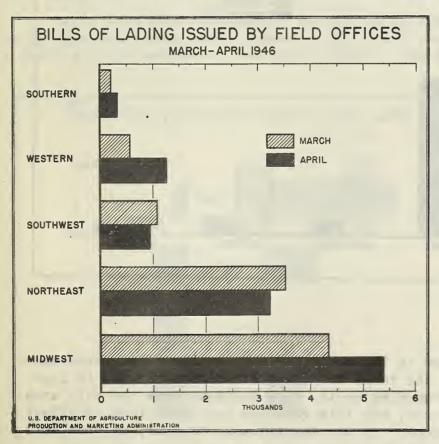
BILLS OF LADING

The total number of bills of lading issued rose from 9,755 in March to 11,200 in April, an increase of 15 percent. (See chart page 5.) The April issuances ran only slightly under the average for the period July through October 1945. The month was, however, below the November peak of 15,449. It also was less than December and January, each of which exceeded 13,000, but was in excess of February's figure of 10,740.

In April as in March the Midwest led all other Field Offices in the number of bills of lading issued. Its April issuance was 5,401 as against 4,360 the preceding month. The Northeast area continued to rank second with 3,242 for April compared to 3,535 in March. The Western area jumped from 564 in March to 1,267 in April. The Southwest dropped from 1,089 for March to 951 in April; and the Southern area, although it rose from 207 for March to 347 for April, continued to have the lowest number of any area. (See lower chart page 5.)



The Midwest percentage of total bills of lading issued showed only

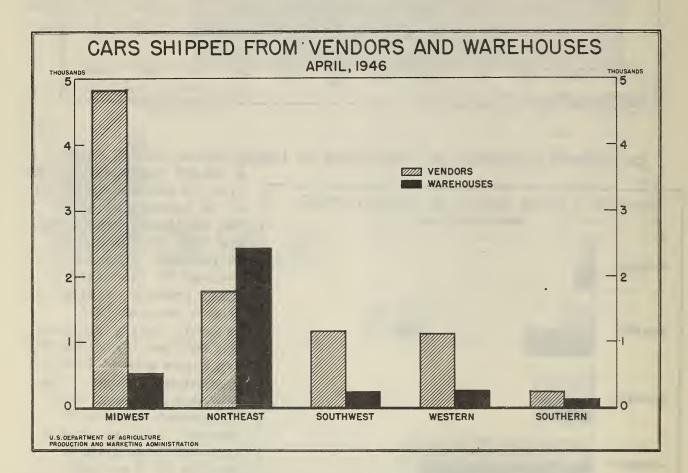


a slight increase, rising from 45 percent in March to 48 percent in April. The Northeast area dropped from 36 percent to 29 percent. The percentage of the Western area, however, rising from 6 percent to 1]. percent, nearly doubled. The Southwest and Southern areas showed little percentage change. The Southwest dropped from 11 percent down to 9 percent, and the Southern area rose from 2 percent to 3 percent.

COMMODITY MOVEMENTS

Shipments from Vendor

Very few, if any, significant changes developed between March and April in vendor shipments. The total number of cars shipped dropped from 9,192 to 9,149. The Midwest continued to lead all other areas with 4,842 which was 53 percent of the total. (See chart below.) The Northeast had 1,775 which was 19 percent, the Southwest 1,161 which was 13 percent, the Western 1,123 or 12 percent, and the South 248, the remaining 3 percent. Four hundred fewer shipments were made in April than in March in the Southwest section, but 360 more were initiated in the Western region.



Shipments from Warehouse

Some decline developed in the number of cars shipped from warehouses between March and April. The total for the past month was 3,547 in contrast with 4,451 in the preceding month. The Northeast was the only area in which an increase occurred, but this gain was not sufficient to offset the losses in the other areas. It was significant, however, in that more than 68 percent of all warehouse shipments were made in this section. The Midwest was second with 522 followed by the Western with 254, the Southwest with 224, and the Southern with 122. (See chart above.)

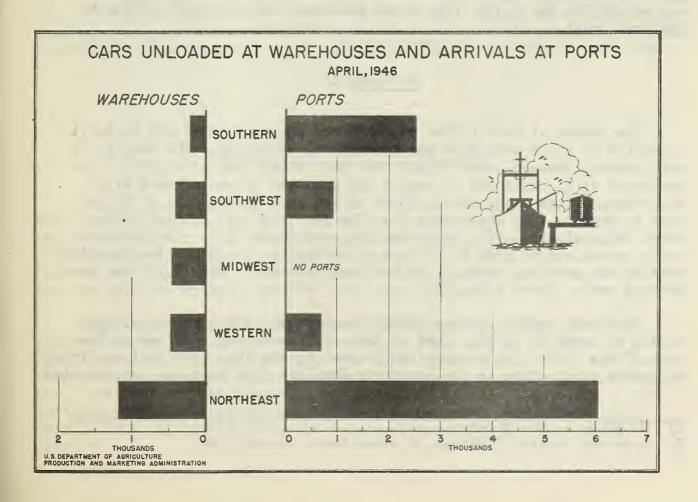
There were more than $2\frac{1}{2}$ times as many cars shipped from vendors as there were from warehouses during April. Whereas the Midwest led all other areas in vendor shipments, it completed only about 20 percent as many as the Northeast in the number of cars moved from warehouses. This condition is indicative of more careful planning wherein commodities are stored closer to the potential ports from which they are to be lifted rather than at inland warehouses. The Western region was third in warehouse shipments but was fourth in vendors' shipments, while the Southwest was fourth in shipments from warehouses but third in shipments from vendors.

Slightly more than 2,000 cars, the bulk of which were frozen meat, were reconsigned during April. Seventy five percent of these were within the Northeast, 14 percent in the Southwest, and the remainder divided among the other three areas. Tardy ship and car arrivals, urgent program requirements, and shutouts necessitated the reconsignment and diversion of many cars either from program to warehouse or from warehouse to program.

ARRIVALS

Warehouses

Fewer cars were unloaded at warehouses in April than in March. Whereas 4,064 unloads were made in March, only 2,752 cars were handled in April, a decline of 32 percent. (See chart below.) The Northeast area received



approximately 74 percent of the total cars in March but only 43 percent in April. The remaining 26 percent during March was divided between the other offices in the following manner: Southwest 10, Western 7, Midwest 6, and Southern 3. For April the distribution was as follows: Western and Midwest 17 percent each, Southwest 15 percent, and Southern 8 percent.

Ports 1/

Approximately 5 percent more cars arrived at ports in April than during March. This was in contrast to the reduction in cars unloaded at warehouses noted above. Although the Northeast continued to lead all other geographical areas in car arrivals, its proportion of the total declined from 66 percent in March to 59 percent for April. (See chart page 7.) New York reported 3,177 car arrivals which was in excess of any other port; however, Baltimore had 1,484, Philadelphia 1,037, and Boston 334.

The reports received from the Southwest also indicate that fewer cars arrived at the ports of that region in April with the total declining from 1,174 to 916. Gains occurred, however, in the number of cars arrivals at the Southern and Western ports. In the case of the former, the total increased from 1,655 to 2,561 and in the latter from 471 to 691. These represent gains of 55 percent and 47 percent respectively.

On April 30 it was reported that 848 cars were en route to ports. Three hundred and sixty of these were directed toward the Northeast region, 253 to the South, 170 to the Southwest, and 65 were rolling to the West Coast.

LIFTINGS 2/

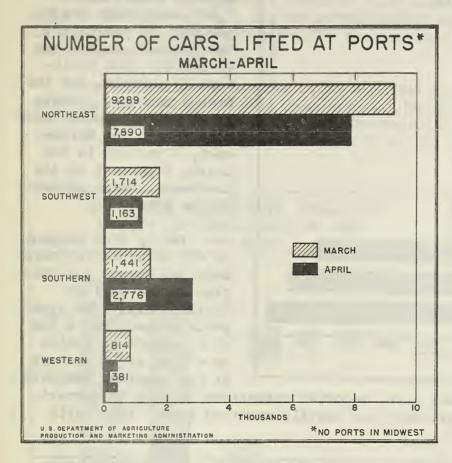
The number of cars lifted at all ports amounted to 12,210 in April, a decline of 1,048 cars from the March level of 13,258. The totals for both months, however, were higher than the January sum of 11,069. The Northeast still continues to handle the greatest volume of cars with 65 percent of the total being lifted in the area in contrast to 70 percent in March. (See chart page 9.) The New York port handled 5,566 cars, Philadelphia 1,187, Baltimore 780, and Boston 357. The Southern ports ranked second with 2,776 cars which was nearly double the quantity handled the previous month. The Southwest was third with 1,163 and the Western ports fourth with 381.

The total number of cars lifted exceeded the total number of arrivals at ports by 2,010. Most of this difference was confined to the port of New York. It is explained in part by the fact that rail and truck shipments originating in the immediate New York City area are not reported

^{1/} No ports in the Midwest.

^{2/} Does not include liftings of other Basic Commodities.

as arrivals but are reported as liftings. It is also accounted for by those commodities which previously have been placed in pier storage and are currently being reflected in data on liftings.



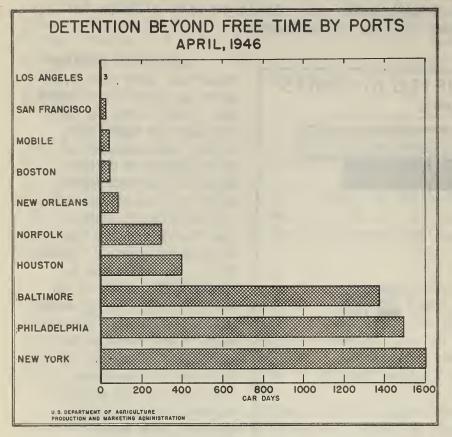
The Field Offices reported they had 1,922 cars on tracks at ports and 1,223 cars in pier storage on April 30, 1946. Approximately 50 percent of these were in the Northeast with the remainder being divided between the South, West, and Southwest ports. Therefore, in addition to the 12,210 cars which had already been loaded aboard vessels, there were 3,145 available carloads ready to be lifted for program at the end of the month. representing roughly 78,625 long tons. Fifty two ships were in the process of taking on cargo at that time.

CAR DETENTION (BEYOND FREE TIME)

According to data supplied by the Shipping Division, 1,268 cars were detained beyond the free time in April. New York led all other ports with 444, of which 306 were box cars. Philadelphia was second with 373 and was followed by Baltimore with 172, Norfolk 100, and Houston 80. The ports of New Orleans, Boston, Mobile, San Francisco, and Los Angeles combined reported less than 100 cars.

Eight days was the average detention time at Baltimore. New York reported three days on the 306 box cars and five days on the balance of 138. Houston and Mobile averaged five days, Philadelphia four, Norfolk three, New Orleans and Boston two, and San Francisco and Los Angeles one day. Calculated on the basis of car days, New York was first with 1,608 followed by Philadelphia with 1,492, Baltimore 1,376, Houston 400 and Norfolk 300. All other ports had totals of less than 50. (See chart page 10.)

Approximately 10 percent of the total handlings 1/ were detained be-



yond the free time during April. The Northeastern ports handled
7,437 cars which was 64
per cent of the total.
The Southern region had
23 percent, the Southwest 10 percent, and the
West 3 percent. Eighty
percent of the detentions
were within the Northeast, 9 percent in the
South, 9 percent in the
Southwest, and 2 percent
in the West.

Twenty nine percent of all cars handled were detained beyond the free time at the port of Philadelphia. The other ports ranged from a low of 2 percent at Mobile to a high of 13 percent at Los Angeles. New York

with about 37 percent of all cars, reported detentions of only 10 percent. Savannah, Jacksonville, Portland, and Seattle reported none. (See table below.)

	Cars Handled	Cars Detained	Detentions as
Ports	in April	Beyond Free Time	% of Handlings
Boston	332	21	6%
New York	4321	444	10
Philadelphia	1300	373	29
Baltimore	1484	172	12
Norfolk 2/	1805	100	6
Savannah	108	0	0
Jacksonville	215	Ō	0
Mobile 3/	499	8	2
New Orleans	412	41	10
Houston 4/	746	80	11
Los Angeles	22	3	13
San Francisco	340	26	8
Portland, Ore.	20	0	0
Seattle	11	0	0
Total	11,615	1,268	10%

^{1/} Cars on hand March 31 plus arrivals during April minus cars on track April 30.

^{2/} Includes Newport News

[/] Includes Pensacola.

[/] Includes Galveston, Beaumont, and Lake Charles.

WAREHOUSE FACILITIES

There were 888 approved warehouse contracts in effect at the end of April. The Midwest with 321 contracts led all other areas and was followed in order by the Northeast with 297, the Southwest with 106, the West with 88, and the Southern with 76.

The 888 contracts covered 1,274 approved warehouse facilities suitable for the storage of P&MA commodities. The Midwest had 452 facilities, the Northeast 420, the West 203, the Southwest 106, and the South 93. (See chart below.) Forty percent or 507 of the 1,274 approved facilities

APPROVED WAREHOUSE FACILITIES UNDER CONTRACT AND IN USE APRIL 30, 1946 INDEX INDEX 500 500 400 400 UNDER CONTRACT IN USE 300 300 200 200 100 100 WESTERN U.S. DEPARTMENT OF AGRIGULTURE PRODUCTION AND MARKETING ADMINISTRATION

were in use on April 30. Forty nine percent of the warehouses were being utilized in the Northeast Area, 47 percent in the West, 46 percent in the Southwest, 23 percent in the South and 30 percent in the Midwest.

The Shipping and Storage Branch found it desirable during the war to operate by contract several leased storage facilities. Since our stock has been considerably depleted and commercial storage is more plentiful and cheaper per square foot of space. the original reasons for operating the lease space no longer exist and some of these facilities are being

given up.

The Buffalo Federal Depot #1 was closed April 30 and the Seed Ware-house at Sacramento, the Spear Street Warehouse in San Francisco, and Pier D at Weehawken, New Jersey are in the process of being closed.

INSPECTION AND MAINTENANCE

Inspection Requests and Reports

Thirty-four requests for inspection were made to the Commodity Branches during April compared to 42 in March. (See table below.) Of the April requests, 21 originated in the Field Offices and 4 in the Washington Offices. The remaining nine were referred to the Field by the Washington staff. Inspection reports received totaled 47 in April compared to 57 in March. Some of the more recent reports include inspection certificates initiated during previous months. In April the Field Offices received 23 inspection reports and the Washington Offices 10, and the Field Offices referred 14 others to Washington. In contrast to a total of 45 inspection reports outstanding at the close of March, only 17 were outstanding at the end of April.

		Inspect	Lon	Ins				
Field Offices	Orig	Ref.to Originated F.O.by O. Wash. Wash. Total			Rece F.O.	ived Wash.	Ref.to Wash. by F.O.	Total
Northeast	8	1	5	14	9	6	8	23
Midwest	4	1	4	9	2	3	4	9
South	0	1	0	11	0	1	0	1
Southwest	g	11	0	9	10	0	0	10
Western	1	0	0	1	2	0	2	4
Total	21	4	9	34	23	10	14	47

Sales Referrals

There were 12 referrals for sale made by the Washington Office to the Commodity Branches during the month as against 20 in March. The decrease in reported referrals is partially the result of the use on program of scarce or vitally needed commodities in good condition regardless of quantity or location. Two of the 12 April referrals have been sold but the abstracts have not yet been received. In addition to the 10 April referrals not sold, 7 March referrals still remained unsold at the end of April, making a total of 17 referrals unsold at that time.

Part Lots

Warehousemen's inventory reports and subsequent examination reports since March 1 indicate that the number of part and disposition lots

brought to the attention of the Division has increased from the March 28 figure of 995 to 1,267 at the end of April. This is believed to be a much more accurate figure than the one of March 28. Action has been

Status of Part and Disposition Lots

Area	Action Completed	Sold	Ordered to Program	Misc. Disposition	Action Pending	Total
Northeast	47	128	132	51	291	649
Midwest	55	158	36	28	95	372
Southern	0	.15	2	5	8	30
Southwest	14	8	3	28	16	69
Western	33	52	12	19	31	147
Total	149	361	185	131	441	1,267

consummated on 149 lots and they have been removed from all reports as being in warehouses. Report of disposition in each case has not, however, yet been received. Action has also been started on 677 additional lots. Of these, 361 have been sold, 185 have been ordered to program, and 131 have been donated or destroyed or are being handled by claims. This left a balance of 441 on which action was pending as they were being reconditioned, or had been referred for sale, program use, or inspection.

Salvage

The Salvage Section through the Field Offices sold 38 and donated 10 out-of-condition and/or odd lots during April in contrast to 19 sales and 8 donations in March. Four Field Offices made the April sales. New York had 18, San Francisco 11, Chicago 7, and Dallas 2. Of the 10 donations, New York made nine and Memphis one. All donations had individual values of less than \$50 a lot. During March the Field Offices referred for sale 33 lots valued at less than \$300 each and items classified as salvage. Sales negotiations were being conducted in April for disposal of 31 lots. Five lots have been referred to the Food Distribution Programs Branch for selection of donee. The Salvage Section and the San Francisco Field Office are assisting the Special Commodities Branch in the sale of 1,900 cases of out-of-condition onion salt at Oakland, California by soliciting offers. The commodity will be sold about May 10.

Reconditioning and Recoopering

Commodities reconditioned and recoopered during April totaled 8.44 million pounds according to reports from the Field Offices. This was a 27 percent increase over the March figure of 6.62 million pounds, but was considerably below the February figure of 15 million pounds and the January total of 44 million. The Northeast and Southwest areas led all

others with 3.75 and 3.56 million pounds respectively. The Midwest handled 991 thousand pounds, the Southern area 107 thousand pounds, and the Western 34 thousand pounds. The greatest change occurred in the Southwest area which jumped approximately 3.43 million pounds over March. The Midwest also rose 279,000 pounds; all other areas dropped. The Northeast fell 1.6 million pounds, the Southern area 287,000 pounds, and Western 5,000 pounds.

Total Volume of Reconditioning Work

March and April 1946

(million pounds)

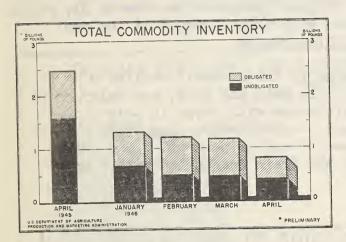
Branches	March	April	NE	MW	so	SW	W
Dairy & Poultry	4.20	1.03	.11	.91	-	.01	-
Livestock	.22	.22	.12	-	.07		.03
Fruit & Vegetable	1.55	1.78	1.75	_	.03	\$40	63
Grain	.31	2.56	.83	.08	•	1.65	
Special Commodities	.13	2.67	.76	-	.01	1.90	-
Army Surplus	.21	.18	.18		-	do	445
Total	6.62	8.44	3.75	.99	.11	3.56	.03

By commodities the most marked changes were an increase of 2.25 million pounds in grain, a rise of 2.54 million pounds in special commodities, and a decrease of 3.17 million pounds in dairy and poultry products. Processing of fruit and vegetable commodities rose somewhat, remained about the same for livestock, and declined slightly for Army Surplus.

Several reconditioning projects were completed during April. One of the most important of these, which shows the value of a good salvage operation, occurred in the Southwest area and concerned 98,500 pounds of dry pinto beans found, upon inspection, to be unfit for human consumption. By using green sawdust as a cleansing agent the lot was reclaimed and regraded U. S. No. 1 with a loss of only 1,700 pounds. The operation cost \$.46 a bag including cost of new bags. Another operation, the inspection and weighing of 12,191 bags of green coffee, acquired from the Army during April after having been in storage at Galveston since 1943, resulted in overbagging of 2,587 bags. Among operations in the Northeast was the reconditioning and repackaging of 1,744,046 pounds of fruit and vegetable products. The major reconditioning project in the Midwest involved segregation and reboxing of cheese. The bulk of the reconditioning work in the Western area involved livestock and meat products.

COMMODITY INVENTORY 1/

A concerted drive to move commodities to program in April has resulted in a sharp drop in the commodity inventory during the month and has consequently continued the steady decline occurring in each of the first three months of the year. Whereas January had 1,336 million



pounds, February 1,222 and March 1,185, April fell to 836 million pounds 2/, a drop of 29 percent below March. (See adjacent chart.) The decline in stocks during the three-month period since the end of January now amounts to 37 percent. Likewise, April, like all the preceding months of 1946, was well under the total for the corresponding month a year ago. The differential between April 1945 and April 1946 amounted to 1,647 million pounds, a net decrease of 66 percent.

Obligated ownership declined during the month. This part of the inventory, which represents supplies moving to programs as well as commodities referred for sale and other non-program use, totaled 421 million pounds. This was 277 million pounds or 40 percent below March 1946 and 486 million or 54 percent under April 1945.

In April the unobligated commodity inventory, which consists of stocks available for shipment to program for which shipping instructions have not been issued, also dropped. In contrast to the figure of 675 million pounds for January, 520 million for February and 487 million for March, the April total stood at 415 million. This was a drop of 72 million or 15 percent below March. It was a decline of 1,161 million and 74 percent below April 1945. It is to be noted that these unobligated figures are based on orders to ship rather than commitments.

The ratio between obligated and unobligated inventory continued in April to show the major change existing between the position this year and that in early 1945. This change is a reduction in the percentage of the inventory that is unobligated. Where in early 1945 this percentage ran well over half of the total, it has in 1946 dropped to about half or less. This year it totaled 51 percent in January, 47 in February and 40 in March. April totaled 49 percent as against 63 for April last year. The reduction has had the effect of bringing the obligated and unobligated inventory into closer balance. The closer balance shows that the Branch is operating efficiently and that disposition has been made of many

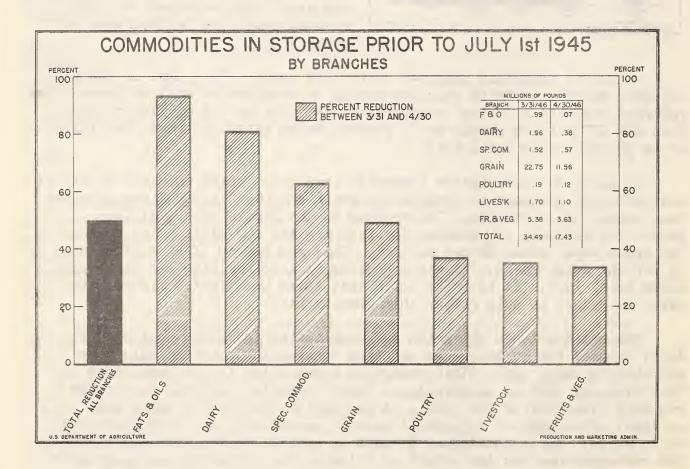
Data for April 1946 is preliminary and is subject to later revisions.

Basic commodities - wheat, oats, rye, barley, corn and cotton - are
excluded from the totals reported.

over-age commodities. At the same time, the reduction is an indication that reserve stocks are dropping to a level where it is becoming increasingly difficult to meet full shipping commitments on short notice.

Total over-age CCC owned stocks, which includes commodities for which no disposition has been arranged as well as those stocks which are ordered to program but not shipped as of April 30, 1946 amounted to approximately 17.5 million pounds. This represents a decline of 50 percent as compared with the 34.5 million pounds on hand March 31, 1946, and a drop of 72 percent compared with this category at the end of February 1946, which totaled 62 million pounds.

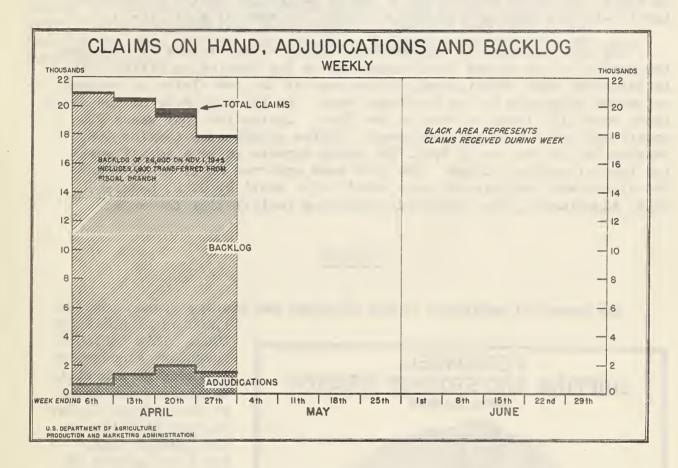
All commodity branches participated in the over-all decline of stocks acquired prior to July 1,1945. The Fats and Oils, and Dairy Branches showed the best relative performance with drops in this category of stocks of 93 and 81 percent, respectively. The other Branches had reductions varying between 33 and 63 percent. (See chart below.) Based upon quantity changes, the Grain Branch led with a drop of 11.2 million pounds.



Correlations and reconciliations cannot readily be made between the volume of documentation and commodity movements effected by the Program Operations Division and the inventories shown above. There always will, of necessity, be a lag between the time the commodities are shipped or earmarked for shipment, and the date on which the actual documentary records are processed by the Inventory Accounting Division.

CLAIMS

A 20 percent reduction occurred during April between the number of claims on hand at the beginning of the month and the number still outstanding as of April 27. There was a net decrease of 4,247 claims, cutting the April 1 figure of 20,748 down to an April 27 total of 16,501. Claims adjudicated totaled 5,467. (See chart below.) The net reduction



fails to equal the total adjudications because new claims were continually being added during the month. In the adjudications there was a marked gain during the last three weeks. This resulted from the installation of new procedures, and the added efficiency achieved through instruction given in the weekly training periods for all supervisors, adjudicators and trainees.

In the four-week period 1,198 new claims and 22 reclaims were received. Almost half of the new claims were set up during the week of April 15-20. The high figure for that week resulted from setting up many claims from carriers' bills received from the Fiscal Branch. These carrier bills were part of the Fiscal transit claim backlog which it was agreed in March would be transferred to the Shipping and Storage Branch. It was estimated at that time that from this backlog, after duplications already listed in the Claims Division had been taken into account, approximately 1,000 new claims would be added to the Division backlog.

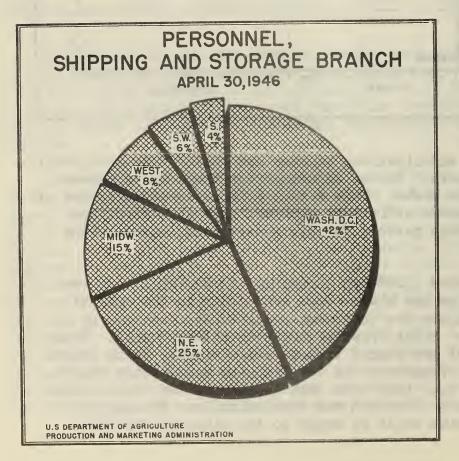
New claims arising from this source, however, total 1,800. In addition to the backlog received, the Division is also receiving current carriers' bills from the Fiscal Branch. A sizable number of these bills represent ladings shipped two or three years ago. It is estimated that about 200 new claims involving such old ladings were set up during April.

The number of claims closed during April totaled 3,281. The monetary value of all claims closed out between April 1-27 totaled \$153,002.95. By weeks, the value ranged from a low of \$29,649.01 during the week of April 8-13 to a high of \$57,118.30 during the week of April 15-20.

The establishment of the New York Claims Field Offices has reduced the number of new claims being submitted to the Washington Office. It is estimated that approximately 50 percent of the new claims on current shipments originate in the Northeast area. At the beginning of the month there were 618 claims on hand in New York. During the four weeks 720 additional new claims were received. Claims adjudicated totaled 990, leaving 348 on hand as of April 26, which appears to be a normal working load of pending claims. The peak week occurred April 22-26 when 765 claims were adjudicated as a result of a visit by M. L. Reddick, Chief Adjudicator, who explained procedures facilitating the work.

PERSONNEL

The number of employees in the Shipping and Storage Branch totaled



1,400 as of April 30, 1946. This included Inventory Accounting Division personnel in Washington and those at the Natural Cooler Storage facility in the Midwest ares. About 42 percent of the total was attached to the Washington, D. C. offices and the remaining 58 percent was divided among the Field Offices. The Northeast led the Field Offices with 25 percent of the total employees. The Midwest area followed with 15 percent, the Western with 8 percent, the Southwest with 6 percent, and the Southern with 4 percent. (See adjacent chart.)

In addition to carrying out the functions of the Shipping and Storage Branch, the Field Offices devoted an estimated 2,410 man hours during the month to assisting in the operations of other Branches, and also performed work for the Army on movements wherein the Field Offices actually originate the shipment and handle the bills of lading. The Southern and Southwest areas provided the bulk of man hours devoted to the activities of other Branches. The Southern area put in 1,037 hours, of which more than 900 went to cotton activities, and the Southwest spent 960 man hours: 480 on grain, 320 on cotton, and 160 on sugar. New York supplied 314 man hours, mostly for the Fruit and Vegetable Branch. The other Field Offices devoted only a comparatively small amount of time to such activities. Only three Field Offices - the Midwest, Southwest and Western - handled Army shipments.

EMBARGOES AND STRIKES IN EFFECT DURING APRIL

- 1. Embargo 703, box and refrigerator cars to New York, November 21 to present.
- 2. Embargo 129, export freight to Houston, Galveston and Texas City,
 March 6 to present.
- 3. Embargo 170, export freight to USDA, BMWT and UNRRA at Baltimore,
 March 25 to present.
- 4. Embargo 197, superseding embargo 170, export freight to Philadelphia, March 25 to present.
- 5. Seattle longshoremen's strike, February 25 to April 19.
- 6. Houston car unloader's strike, March 15 to April 13.
- 7. Galveston dock watchmen's strike, April 27 to May 1.
- 8. Portland supercargo and checker's strike, April 29 to present.

MISCELLANEOUS WORK MEASUREMENTS

	Fooh	Field	Office As	Percent of	F O Total
	NE	MW	SO SO	SW SW	F.U. IOUAL
Order Tickets					7%
	34%	37%	79	129	770
Bills of Lading	29	48	3	9	11
Shipments from Vendors	19	53	3	13	12
Shipments from Warehouses	68	15	3	6	7
Arrivals at Warehouses	43	17	8	15	17
Arrivals at Ports	59	0	25	9	7
Liftings at Ports	65	0	22	10	3
Warehouse Facilities in Use	40	27	. 4	10	19
Average Percentage	44	321	_/ 9	10	102/
Personnel	44	26	7	10	13

^{1/} Note that this Field Office handles no port operations.
2/ This Field Office does considerable work for the Army.

